



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

FOR IMMEDIATE RELEASE

Shana Jones, Special Assistant
Daryl Fields, Public Information Officer
(210) 384-7452

February 13, 2004

SAN ANTONIO PHARMACIST SENTENCED TO FEDERAL PRISON FOR ILLEGALLY DISPENSING DRUGS IN CONNECTION WITH INTERNET PHARMACY OPERATION

Johnny Sutton, United States Attorney for the Western District of Texas announced today that 56-year-old William Adams Stallknecht, a San Antonio pharmacist, was sentenced to 12 months in Federal prison for illegally dispensing controlled substances through the use of The PillBox—one of the largest Internet pharmacy operations of its kind.

In addition to the imposed prison term, United States District Judge Xavier Rodriguez ordered that Stallknecht forfeit \$1 million, his interests in the Internet addresses used in the scheme, and his pharmacy licenses. Judge Rodriguez also ordered that Stallknecht pay restitution in the amount of \$53,341.00 and be placed under supervised release for a period of 3 years after completing his prison term.

On April 10, 2002, the defendant, on behalf of himself and two corporations—the S & H Script Shop, Inc., and the PillBox Medical Center, LLC.—pled guilty to illegally dispensing hydrocodone, a Schedule III controlled substance. Stallknecht's co-defendants—David Lyman Bryson, a 65-year-old Kerrville, Texas physician, Ernesto Alfonso Cantu, a 58-year-old San Antonio physician, Mark Robert Wade, a 47-year-old Memphis, Tennessee physician, and 34-year-old San Antonio resident Brian Thomas Hildebrand, have all plead guilty to conspiring to illegally dispense controlled substances. Bryson and Cantu, are awaiting sentencing.

The PillBox business operation included the web-based pharmacy and a web-based physician referral service, both parts of the scheme to dispense large quantities of hydrocodone and diazepam, as well as other controlled substances and dangerous drugs. The PillBox website referred customers seeking prescription drugs to a physician referral website in order to obtain a doctor's prescription. The indictment alleges that through the referral website, Hildebrand would schedule internet or telephonic consultations between customers and doctors, including Bryson, Cantu and Wade, for the purpose of issuing prescriptions for the requested drugs. The doctors and PillBox split an initial consultation fee whenever a prescription was issued. Based solely on the internet or telephonic consultation, Bryson, Cantu and Wade would prescribe such drugs as hydrocodone and diazepam, which Stallknecht and the PillBox pharmacy would fill and dispense. According to the indictment, the doctors would issue prescriptions without establishing a patient history, performing a mental or physical exam, using appropriate diagnostic or laboratory testing, or providing any means to monitor medication response. Between January 1, 2000 to June 12, 2001, the operation allegedly grossed over \$7.7 million from the Internet sales of hydrocodone and diazepam.

— more —

Stallknecht Sentencing Release
February 13, 2004
Page 2

Both the Texas Board of Medical Examiners and the Tennessee Board of Medical Examiners require that a valid physician-patient relationship exist prior to any doctor prescribing any dangerous medication to an individual. Both of those medical licensing authorities require a documented medical history and a physical examination by the treating physician as well as an evaluation for potential addiction and the development of a treatment plan in order for a valid physician-patient relationship to exist.

This case was the result of an 18-month-long investigation by Drug Enforcement Administration Diversion Investigators, and Special Agents of the Food and Drug Administration and the Internal Revenue Service in coordination with the United States Attorney's Office, Western District of Texas. The Texas Board of Pharmacy and Texas Board of Medical Examiners provided significant cooperation in the course of the investigation. Assistant United States Attorney Greg Surovic is prosecuting this case on behalf of the Government.

#####